



# U.S. Wheat Associates

Weekly Price Report (page 1)

February 21, 2020

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Export Region	Percent Protein 12% (Dry) Moisture Basis		MAR (H20)			MAR (H20)		APR (K20)		MAY (K20)		JUN (N20)		JUL (N20)		AUG (U20)		SEP (U20)		Year Ago (nearbys) \$/MT
			(nearbys) FOB \$/bu	week change \$/bu	N/A	FOB \$/MT	Basis ¢/bu	FOB \$/MT	Basis ¢/bu	FOB \$/MT	Basis ¢/bu	FOB \$/MT	Basis ¢/bu	FOB \$/MT	Basis ¢/bu	FOB \$/MT	Basis ¢/bu	FOB \$/MT	Basis ¢/bu	
Great Lakes	NS/DNS 13.5 (15.3)*	M	closed	N/A	N/A	closed	N/A	246	130	246	130	249	130	249	130	252	130	252	130	N/A
	NS/DNS 14.0 (15.9)*	M	closed	N/A	N/A	closed	N/A	249	140	249	140	253	140	253	140	256	140	256	140	N/A
	NS/DNS 14.5 (16.5)*	M	closed	N/A	N/A	closed	N/A	251	145	251	145	254	145	254	145	258	145	258	145	N/A
Gulf of Mexico	NS/DNS 13.5 (15.3)*	M	6.96	0.06	2	256	170	260	170	260	170	264	170	264	170	267	170	267	170	273
	NS/DNS 14.0 (15.9)*	M	7.01	0.05	2	258	175	262	175	262	175	265	175	265	175	269	175	269	175	273
	NS/DNS 14.5 (16.5)*	M	7.06	0.05	2	259	180	264	180	264	180	267	180	267	180	271	180	271	180	273
	HRW Ord	K	5.99	0.13	5	220	130	222	130	222	130	225	130	225	130	228	130	228	130	224
	HRW 11.0 (12.5)	K	6.14	0.13	5	225	145	228	145	228	145	230	145	230	145	233	145	233	145	225
	HRW 11.5 (13.1)	K	6.24	0.08	3	229	155	232	155	232	155	234	155	234	155	237	155	237	155	227
	HRW 12.0 (13.6)	K	6.39	0.03	1	235	170	237	170	237	170	240	170	240	170	243	170	243	170	229
	HRW 12.5 (14.2)	K	6.49	-0.07	-3	238	180	241	180	241	180	243	180	243	180	246	180	246	180	231
SRW	C	6.86	0.13	5	252	135	251	130	251	130	247	120	236	90	240	95	240	95	225	
Pacific N. West	NS/DNS 13.5 (15.3)*	M	7.01	-0.04	-2	258	175	258	165	260	170	264	170	264	170	267	170	267	170	258
	NS/DNS 14.0 (15.9)*	M	7.01	-0.04	-2	258	175	258	165	260	170	264	170	264	170	267	170	267	170	258
	NS/DNS 14.5 (16.5)*	M	7.11	-0.04	-2	261	185	262	175	264	180	267	180	267	180	271	180	271	180	260
	HRW Ord	K	6.29	-0.02	-1	231	160	235	165	237	170	240	170	240	170	233	145	233	145	242
	HRW 11.5 (13.1)	K	6.34	-0.02	-1	233	165	237	170	239	175	241	175	241	175	235	150	235	150	244
	HRW 12.0 (13.6)	K	6.49	-0.02	-1	238	180	243	185	245	190	247	190	247	190	241	165	241	165	247
	HRW 13.0 (14.8)	K	7.04	-0.02	-1	258	235	263	240	265	245	267	245	267	245	261	220	261	220	255
	SW 9.5 (10.8) Min	\$	6.48	0.20	7	238	6.48	238	6.48	240	6.53	240	6.53	240	6.53	236	6.43	236	6.43	N/A
	SW 10.5 (11.9) Max	\$	6.45	0.00	0	237	6.45	237	6.45	239	6.50	239	6.50	239	6.50	235	6.40	235	6.40	243
	SW 9.5 (10.8) Max	\$	6.55	0.00	0	241	6.55	241	6.55	243	6.60	243	6.60	243	6.60	239	6.50	239	6.50	243
WW with 10% Club	\$	6.75	0.00	0	248	6.75	248	6.75	250	6.80	250	6.80	250	6.80	246	6.70	246	6.70	244	
WW with 20% Club	\$	7.00	0.00	0	257	7.00	257	7.00	259	7.05	259	7.05	259	7.05	255	6.95	255	6.95	245	

**Durum:** a range of prices are available depending upon various quality attributes and logistics.

Northern Durum offers from the Lakes range from \$7.48 to \$7.89/bu (\$275 to \$290/MT), and offers from Gulf ports range from \$8.43 to \$8.84/bu (\$310 to \$325/MT). For Desert Durum offers, contact your supplier.

\*Hard Red Spring: HRS price indications in this report are for a 65% DHV content out of the PNW and a 40% DHV content out of the Gulf; for specific NS/DNS DHV premium spreads, contact your supplier.

### Futures Settlements as of February 21, 2020

*Grey positions not quoted on specific exchange*

	MAR (H20)		week change	MAY (K20)		week change	JUL (N20)		week change	AUG (Q20)		week change	SEP (U20)		week change	DEC (Z20)		week change	JAN (Q20)		week change	MAR (H21)		week change
	\$/MT	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu	\$/bu
Chicago BOT SRW	202.46	5.5100	0.0825	5.5200	0.1050	5.5200	0.1100						5.5800	0.1075	5.6775	0.1125							5.7575	0.1075
Kansas City BOT HRW	172.14	4.6850	0.0300	4.7550	0.0325	4.8225	0.0350						4.9025	0.0375	5.0200	0.0425							5.1300	0.0450
Minneapolis MGE NS/DNS	193.27	5.2600	0.0050	5.3825	0.0275	5.4750	0.0400						5.5625	0.0375	5.6875	0.0375							5.7975	0.0300
Chicago BOT Corn	138.52	3.7700	(0.0075)	3.8075	(0.0125)	3.8350	(0.0200)						3.8200	(0.0225)	3.8600	(0.0275)							3.9525	(0.0275)
Chicago BOT Soybeans	327.20	8.9050	(0.0325)	8.9900	(0.0425)	9.0975	(0.0575)	9.1300	(0.0625)	9.1325	(0.0575)									9.1300	(0.0625)	9.1175	(0.0800)	

**Legend:** M = Minneapolis Grain Exchange; K = Kansas City Board of Trade; C = Chicago Board of Trade;  
 \$ = cash price quote; N/A = quote not available; closed = Great Lakes are closed to vessels for winter; ¢/bu = cents per bushel;  
 Futures Contract Month: H = March; K = May; N = July; U = September; Z = December  
 NS/DNS=Northern Spring/Dark Northern Spring (subclasses of Hard Red Spring); HRW=Hard Red Winter; SRW=Soft Red Winter; SW=Soft White; WW=Western White (White Club & Soft White)  
 F.O.B. = "Free on board" - Seller is responsible for placing grain at the end of the loading spout. Buyer is responsible for providing the ocean vessel and for all other costs after the grain is delivered on board.  
 Basis: The difference between the cash price and futures month for specific quality, shipping period and geographical location.

**Cash:** Durum, SW and WW are quoted in dollars per bushel (\$/bu.) rather than basis for each contract month.

**Convert:** To compute cash price, add basis level and current futures to get price per bushel. Multiply by 36.743 to get price per metric ton.  
Example: Basis = 70 and Future Price = \$9.00, the price per bushel is \$9.00 + .70 = \$9.70/bu. Price per metric ton is \$9.70 \* 36.743 = \$356/MT.

All prices are based upon U.S. number two grade or better as certified by the Federal Grain Inspection Service (FGIS).



# U.S. Wheat Associates

## Weekly Price Report (page 2)

February 21, 2020

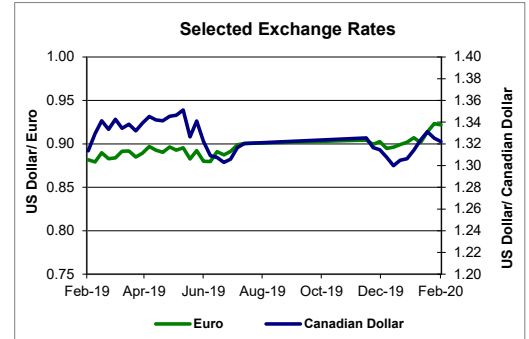
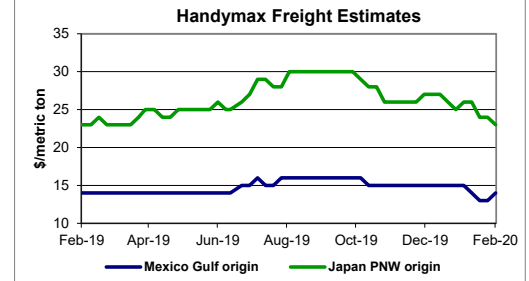
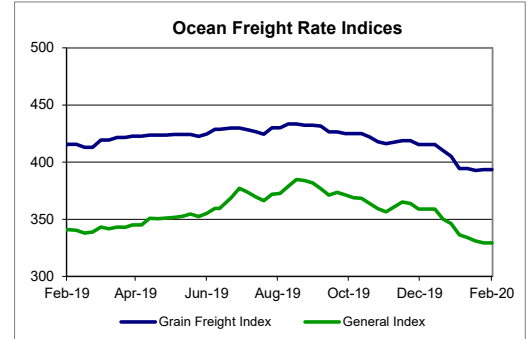
Ocean Freight Rate Estimates by Origin*		U.S. dollars/metric ton			Freight Index**	General Index	Grain Freight Index	Number of Fixtures
Export Region	Import Region	Handy 25-30 TMT	Handymax 40-46 TMT	Panamax 54+ TMT				
US Gulf	Mexico (Veracruz)	16	14		2/21/2020	329.8	392.7	479
	W. South America (Peru/Ecu)	28			2/14/2020	329.3	393.4	536
	S. South America (Chile)	26			2/7/2020	330.9	392.7	486
	N. South America (Colombia)	19	15		1/31/2020	333.9	394.4	418
	E. South America (Brazil)	21			1/24/2020	336.4	394.4	571
	West Africa (Nigeria)	57			1/17/2020	346.2	405.0	588
	East Mediterranean (Italy)	40			1/10/2020	350.1	410.1	580
	West Mediterranean (Morocco)	34			1/3/2020	358.9	415.4	537
	Persian Gulf (Iraq)				12/20/2019	358.9	415.4	537
	Middle East (Egypt)				12/13/2019	363.8	418.8	604
	Japan		44	43	12/6/2019	365.2	418.8	491
Mid Atlantic	N. South America (Venezuela)	33			11/22/2019	356.5	416.2	612
	West Africa (Nigeria)	56			11/15/2019	359.4	417.9	525
	Middle East (Egypt)			56	11/8/2019	363.8	422.0	541
PNW	W. South America (Peru/Ecu)	26			9/13/2019	383.8	432.3	509
	S. South America (Chile)	30			9/6/2019	384.8	433.4	547
	N. South America (Colombia)	26			8/30/2019	378.9	433.4	455
	Persian Gulf (Iraq)			57	8/23/2019	372.6	430.1	596
	Middle East (Egypt)			25	8/16/2019	371.9	430.1	494
	East Africa (Djibouti/Mombasa)		43	41	8/9/2019	366.3	424.4	520
	South Asia (Mal/Indon/Phil/Sing)		37	29	8/2/2019	369.7	426.6	529
	Taiwan		25	24	7/26/2019	373.7	428.3	565
	South Korea		24	23	7/19/2019	377.1	429.9	559
		Japan		24	23	7/12/2019	368.8	429.9

Note: Rates for freight leaving the Great Lakes are quoted for 18,000 MT "Salties."

Sources: \*Trade representatives and recent shipments, \*\*Maritime Research, Inc., \*\*\*Nominal Major Currencies, Federal Reserve Board

### Summary of Foreign Currency Exchange Rates (versus \$1 U.S.)

Week Ending	Index***	Argentina	Australia	Brazil	Canada	Egypt	EU	Japan	Russia
2/21/20	N/A	61.65	1.509	4.390	1.322	15.51	0.922	111.6	64.05
2/14/20	116.4	61.36	1.490	4.297	1.325	15.65	0.923	109.7	63.50
2/7/20	116.6	60.69	1.499	4.320	1.331	15.73	0.914	109.7	64.14
1/31/20	115.8	60.27	1.495	4.282	1.324	15.75	0.901	108.4	63.95
2/21/19	114.4	39.48	1.410	3.769	1.323	17.49	0.882	110.7	65.59
2/21/15	105.33	8.692	1.279	2.866	1.249	7.607	0.881	118.8	61.93
1 year change	N/A	56.15%	7.04%	16.45%	-0.07%	-11.32%	4.48%	0.80%	-2.34%
5 year change	N/A	609.22%	18.04%	53.18%	5.85%	103.88%	4.67%	-6.09%	3.44%



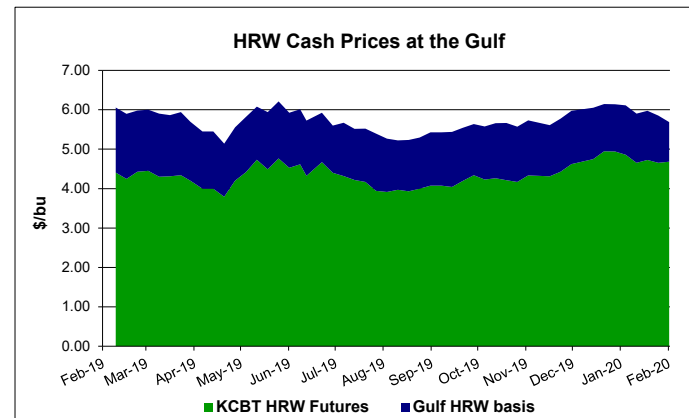
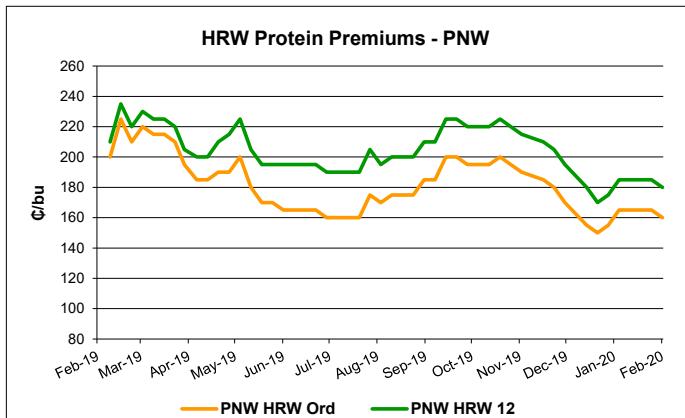
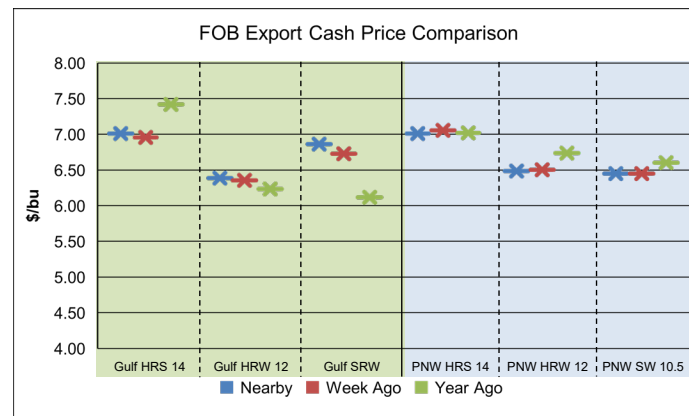
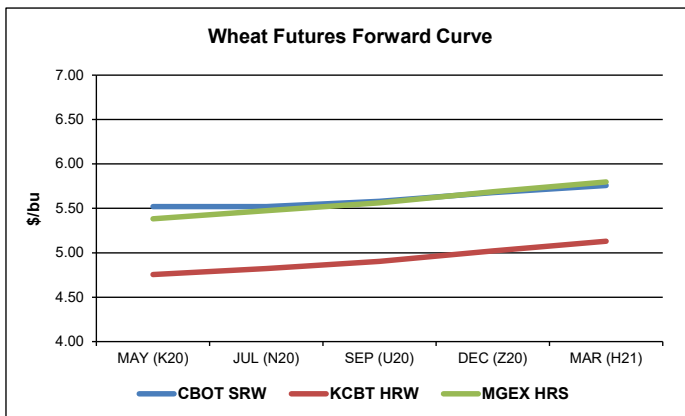
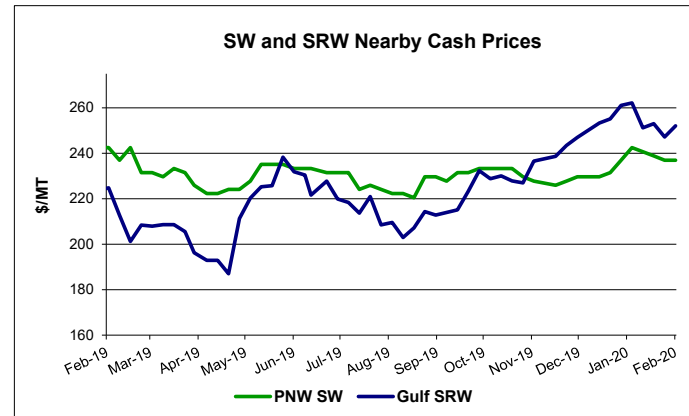
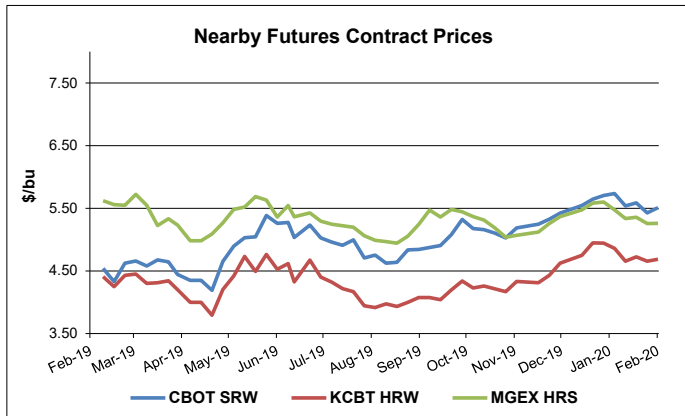
The weekly prices as reported by U.S. Wheat Associates are compiled through research from numerous market sources, including U.S. wheat exporters of all classes from various U.S. ports. The prices reported are representative of the value of number two grade and the proteins indicated. **They are not intended to represent offers nor should importers of U.S. wheat rely upon them as such. Additional factors may alter these prices significantly.**

These factors may include: (1) payment terms (differing from cash against documents which are the terms used in the U.S. Wheat Associates price report); (2) various quality factors, and method of quality certification; (3) loading terms (USW prices represent Free on Board and do not include loading rate guarantees, stevedoring costs or other elevator tariff charges); (4) different delivery periods than indicated in monthly prices reported by U. S. Wheat Associates.

U.S. Wheat Associates recommends regular contact with exporters of U.S. wheat in order to receive offers representative of your requirements.

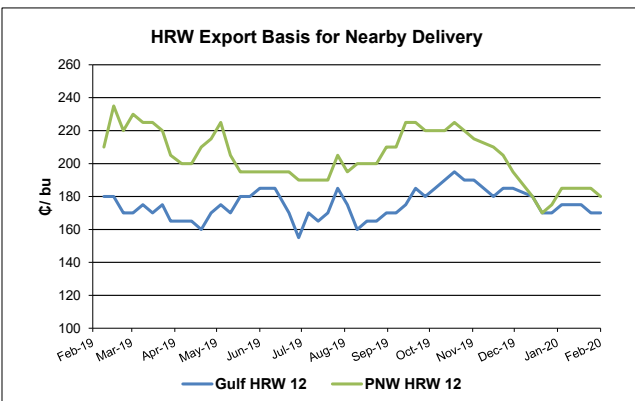
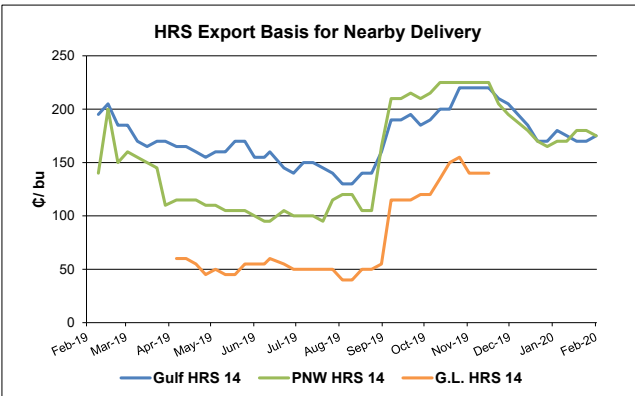
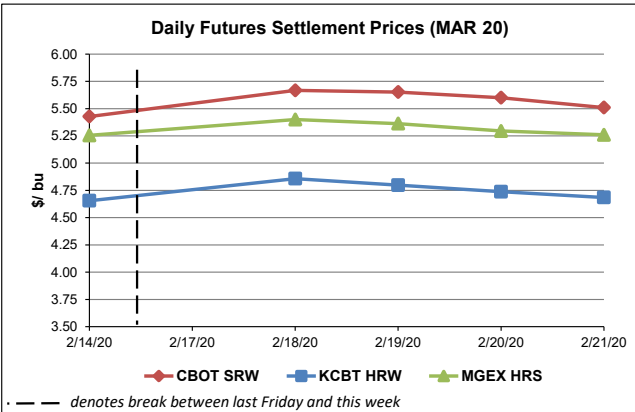
This contact will allow importers to review contract terms and better understand the U.S. grading system, role and function of the Federal Grain Inspection Service (FGIS).

Contact: For questions, please contact Claire Hutchins at (703) 650-0244 or chutchins@uswheat.org.





**Highlights**



- All wheat futures prices ended up week-over-week primarily on gains early in the week on news of China cutting import tariffs on some U.S. agricultural products, locust pressure across Asia and lower Australian wheat production estimates (see below). Soft red winter (SRW) ended 8 cents up at \$5.51/bu. Hard red winter (HRW) gained 3 cents to close at \$4.68/bu. Hard red spring (HRS) gained 1 cent to end at \$5.26/bu. CBOT corn futures lost 1 cent to close at \$3.77/bu. CBOT soybean futures fell 3 cents to end at \$8.90.
- Increased farmer sales at the beginning of the week due to stronger futures prices pressured Pacific Northwest (PNW) HRW export basis for March and April deliveries. Limited export demand pressured Gulf HRW export basis for nearby and deferred deliveries. PNW and Gulf HRS export basis and SRW export basis remained steady week-over-week. The Great Lakes- St. Lawrence Seaway System will remain closed until mid-March 2020.
- This week's U.S. wheat commercial sales of 346,000 metric tons (MT) were down 46% from last week's 643,000 MT and below trade expectations of 400,000 MT to 650,000 MT. Year-to-date commercial sales for delivery in 2019/20 total 22.3 million metric tons (MMT), 4% ahead of last year's pace. USDA expects total 2019/20 U.S. wheat exports will reach 27.2 MMT, 7% more than last year, if realized. U.S. wheat commercial sales to date make up 82% of USDA's final export forecast.
- According to the Feb. 18 Drought Monitor, moderate precipitation alleviated dry areas in north central Texas, southwestern Oklahoma, northeastern Oregon and southeastern Washington. Light precipitation eased drought and dryness in south central Kansas. Looking ahead, heavy precipitation is expected in parts of the PNW and across several areas in the Great Plains.
- ABARES, the Australian Bureau of Agricultural and Resource Economics and Sciences, this week estimated the country's 2019/20 wheat crop at 15.17 MMT, the lowest in 12 years, because of the severe drought especially in the east. On Feb 21, *AgriCensus* reported that China has recently purchased a significant volume of Australian wheat, at a pace some Australian traders say could deplete exportable supplies by June 2020.
- India's agricultural ministry this week confirmed the country is set to produce a record wheat crop of 106.2 MMT, 12% more than the 10-year annual average. Wheat and other grain stocks in India are at high levels with limited storage space, the government said. History shows a distinct pattern of increasing wheat exports when Indian wheat stocks build. India's wheat export pace has been steady for several years but to date in 2019/20, Indian wheat exports of about 500,000 MT already exceed total exports for the entire 2018/19 marketing year.
- Constant heavy rain has led the UK's Agriculture and Horticulture Development Board (AHDB) to cut its projection for the country's 2020 wheat seeding to the smallest area in almost 40 years. Farmers had hoped to extend the winter seeding window and increase spring wheat seedings, but the AHDB believes the on-going wet conditions will hold them back.
- The rainy weather pattern is also affecting Continental Europe, and grain trade association Cocereal this week said it expects a 5% decline in EU wheat production for 2020/21. The expected decrease is mainly due to a significant acreage reduction in France, Germany and Denmark. France's wheat output is forecast at 35.7 MMT, 10% less than in 2019; German production estimates came in at 22.2 MMT, down 3%. Cocereal does expect wheat production in Romania will be 15% higher at 9.1 MMT and new crop production in Poland will be up slightly to 11.7 MMT.
- *AgriCensus* reported today that the second week of protests in Canada against a planned natural gas pipeline have blocked railroads and potentially slowed movement of grain and other goods to Canadian ports. *AgriCensus* quoted a spokesperson from the Vancouver Fraser Port Authority that the demand for anchorages is currently exceeding the availability because of the disruptions in rail operations, causing a backlog of ships waiting to get into port.
- The Baltic Dry Index (BDI), an assessment of the average cost to ship raw materials like grains, coal and iron ore, climbed 13% week-over-week to end at 480.
- The U.S. Dollar Index rose from last week's 99.12 to close at 99.32.